

Message Text

LIMITED OFFICIAL USE

PAGE 01 JIDDA 05728 290921Z

14

ACTION NEA-12

INFO OCT-01 EA-11 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12

SPC-03 CIEP-02 LAB-06 SIL-01 OMB-01 DODE-00 PM-07

H-03 L-03 NSC-10 PA-04 PRS-01 SS-20 USIA-15 SCEM-02

INT-08 AGR-20 SCI-06 DRC-01 /200 W

----- 117409

R 290828Z DEC 73

FM AMEMBASSY JIDDA

TO SECSTATE WASHDC 5772

INFO AMCONSUL DHAHRAN

AMEMBASSY BANGKOK

AMEMBASSY SEOUL

LIMITED OFFICIAL USE JIDDA 5728

EO 11652: N/A

TAGS: ENRG, SA, TH, KS

SUBJECT: OIL, THE NEW SDR?: THE THAI EXPERIENCE

REF: (A) BANGKOK 19630; (B) JIDDA 4147

1. THAI CHARGE ORACHUN TANAPHONG DISCUSSED LATEST VISIT OF THAI DEPUTY FOREIGN MINISTER TO SAUDI ARABIA AT LENGTH WITH EMBOFF ON DEC. 24. ORACHUN STATED THAT RTG IS STILL AWAITING SAUDI REPLY TO THAI PROPOSAL. HE WAS NOT OPTIMISTIC THAT ANYTHING SIGNIFICANT WOULD RESULT.

2. DESPITE PRONOUNCED SAG CONCERN ABOUT INSURING SUPPLIES OF CRITICAL COMMODITIES--AT LEAST WITHIN MINISTRY OF COMMERCE AND INDUSTRIES--SAUDIS STILL WERE NOT INTERESTED IN RICE/OIL LINKAGE. ACCORDING TO ORACHUN, THAI PROPOSAL WAS NOT EVEN DIRECT BARTER

LIMITED OFFICIAL US *

LIMITED OFFICIAL USE

PAGE 02 JIDDA 05728 290921Z

D*AL B * SIMPLY AN AGREE*ENT THAT THAI WOULD SUPPL**

SAUDI RICE REQ MRE*ENTS WHILE SAUDIS*WOULD SUPPLY THAI

OIL REQUIREMENTS. NEVE THELESS, SAG WAS LUKEWAR .
SUBSTANTIVE *ALKS WERE SHUNTED INTO SAG MINISTRY OF
COMMERCE (WHICH HAS NO VOICE IN OIL POLICY) WITH A FEW
SECOND-TIER MINPET OFFICIALS ONLY OCCASIONALLY SITTING
IN.

3. ORACHUN FELT THAT OVERALL THAI PERFORMANCE VIS-A-VIS
THE SAUDIS HAS NOT BEEN VERY ADEPT. HE COMPARED IT TO
THE SOUTH KOREANS, WHO EARLIER THIS YEAR CONCLUDED GOV'T-
TO-GOV'T SALE TO SAUDI ARABIA OF 50,000 TONS OF CEMENT AND
ARE PRESENTLY IN LAST STAGES OF NEGOTIATING ANOTHER
500,000-TON SALE FOR 1974. WHILE THIS ALSO WILL NOT BE
A DIRECT BARTER, WE NOTE THAT KOREA WAS PLACED ON THE
PREFERRED LIST FOR SAUDI OIL ON DEC. 17. WHETHER THE
KOREAN EXPERIENCE IS COINCIDENTAL, RESULT OF EXPERT
NEGOTIATING, OR DUE TO FACT THAT SAG ANTICIPATES GREATER
SQUEEZE ON CEMENT SUPPLIES THAN ON RICE IS PROBLEMATIC.

4. IN ANY EVENT, BASED ON ALL CASES WE HAVE SEEN SO
FAR, IT APPEARS THAT WHILE SAUDIS MAY NOT BE ADVERSE TO
USING THEIR OIL AS A SWEETENER TO DEALS THEY WANT TO
PROMOTE (E.G. LOCAL INVESTMENT), THEY WILL CONTINUE TO
AVOID ANY DIRECT BARTER OR SIMILAR TYING OF OIL TO
COMMERCIAL IMPORTS.
AKINS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: RICE, PETROLEUM, BARTER TRADE
Control Number: n/a
Copy: SINGLE
Draft Date: 29 DEC 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973JIDDA05728
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: JIDDA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t1973121/aaaaaapj.tel
Line Count: 86
Locator: TEXT ON-LINE
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: (A) BANGKOK 19630; (B) JIDDA 4147
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 10 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10-Jan-2002 by cunninfx>; APPROVED <23-Jan-2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: OIL, THE NEW SDR?: THE THAI EXPERIENCE
TAGS: ENRG, SA, TH, KS
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005